

Region V  
Midwestern States

Regulatory Enforcement Fairness  
Hearing

St. Paul, Minnesota

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P R O C E E D I N G S

**MALE SPEAKER:** Okay, we're going to call someone from the Stewart Energy Products, Inc.

**MR. LIPSKI:** Yes, do I just talk from here?

**MALE SPEAKER:** Yes, just state your name.

**MR. LIPSKI:** My name is Eric Lipski, I'm with Stewart Energy Products. In coming here, I wanted to express that my experience with the agencies, as Lyle was talking about earlier, since the mid-to late '90s, it's gotten a lot better and much easier to work with people.

Our biggest problem right now with our company is through EPA regulations for above ground tanks, the state has then adopted those regulations and caused us to have upgrades for our facility. The upgrades are quite costly, and because storage of petroleum products in tanks is an environmental issue, it's nearly impossible to get any financial institution to do any conventional financing, even though we've got a big asset.

My problem isn't with the EPA in their regulations, because I think that their environmental -- the environmental solidness of the regulation is good -- but, my problem is that when a small business has to go and do that -- the upgrades, the only programs that we've been able to find are small, like \$5,000, \$10,000, \$15,000 amounts to help us with our upgrades. To date, we've had over \$200,000 spent on our upgrades.

I would like to see some way of helping, when the EPA says that we need to do an upgrade, or changes the regulation and improves things -- I don't disagree with that -- but, I would like to see some way of getting some financial assistance so that we can do it without risking bankruptcy. That's the main problem that I've got right now, and don't quite know how to solve the problem.

We're going to continue to operate, and we've simply used credit cards to finance our upgrades. And that isn't the right thing to do, but we haven't found a different solution. My problem is that with the EPA regulations -- it is all environmental, and anything environmental is like taboo to banks. I guess that's about -- I don't know if you have any questions.

**MALE SPEAKER:** I've got a question. I'm not quite understanding -- who do you pay the amount of money to?

**MR. LIPSKI:** We spend it ourselves, internally.

**MALE SPEAKER:** With your own overhead, you mean, or you buy --

**MR. LIPSKI:** We buy -- we also have a construction division as well, so we do some of this environmental work for others. So, what we've been doing is we've been, instead of going out and doing jobs, we're doing the jobs on our own site.

We recycle used oil, we recycle used oil, we service quick load facilities and we also do other tank related work as part of our business. Instead of going out and doing work, we're working at home. Of course, you don't get a paycheck for that.

**MR. BARRERA:** Have you approached the EPA about potentially any type of financial assistance that they have?

**MR. LIPSKI:** Yes, they directed me to the state petro-fund, and the state petro-fund has a \$10,000 amount that they'll pay towards decommissioning your old -- It's kind of a similar situation to the service stations and the underground storage tank issues that have been going on over the last 10 or 15 years.

There is a lot of money available for clean up and a lot of accessing for clean up, but if you drive out in, especially the rural areas, there aren't any more gas stations. They're all cleaned up but, you know what, nobody could give them enough money to buy the new tanks and the new pumps and put it in so they could continue to operate.

I think that that's happening in this industry as well. I know (inaudible) sites with above ground tanks out by us -- the conventional fuel storage business -- they are getting bought up by the coops and just disappearing too, which is a different problem than what I've got. It is a problem as well.

**MALE SPEAKER:** Just to interrupt you, so I can get a handle on it -- what you're saying is what you're spending money on then is to comply with the regulations that the EPA comes out with, however often? That's to buy tanks, pumps or screens or filters or what?

**MR. LIPSKI:** Yes, currently it's to upgrade tanks, upgrade cathodic protection, dyke systems for containing spills or catastrophic tank ruptures, or something like that, or a tornado knocking over your tanks, and some things of that nature.

We've always had to have that protection, but the criteria have kind of moved up. I don't think it's bad. Like I said, it's easier to clean up your small spills, and it's easier to manage your business by having the more elaborate facility,

but the elaborate facility costs quite a bit to put together.

**MALE SPEAKER:** Does that increase the value of your assets?

**MR. LIPSKI:** It increases the value of our assets, but we can't borrow or use the assets, so it doesn't do us any good. Like I say, I don't have a problem with it because our permits on the site -- just getting a site permit is a major undertaking -- so that I feel that our site with its permits and its upgraded facility is worth what we're putting into it if we were to go and sell it.

But, to use that asset to borrow money to expand the business or to stay in business, it is not an asset you can use.

**MALE SPEAKER:** Other than being able to borrow money, what is the other answer to your problem? Or is there any?

**MR. LIPSKI:** The only other answer would be to not have the regulatory change, and I guess, my personal feeling is that the regulatory change is probably -- from a personal statement -- is probably a good one. I don't think that it's bad from the environmental standpoint to have the regulatory changes.

**MALE SPEAKER:** So in other ways, what could happen is if the agency spoke to those people who are in the environmental area, and then make the regulations afterwards? Does that help?

**MR. LIPSKI:** Well, I think it would help if they could put together some type of assurance to allow a bank to loan you money or a federal program, or some program to make the asset work -- something that you can borrow against.

That's the only real problem I've got with this regulatory change, and any of them they've had in the last four or five years here, with the above ground tanks. I don't have a problem with the thought behind them and what they're doing for our environment.

I think they're good and we're recyclers, we're into cleaning up the environment as part of our business. I look at that and say, "They're doing a good job." But, they're not doing a good job -- maybe it's not them -- no one seems to be looking at the business owners and how it can -- The focus always seems to be on how to clean everything up. There is no focus on, "Now that it's cleaned up, can we keep this person in business?"

**MALE SPEAKER:** Do you charge more for your product, then? One last question -- do you charge more for your product

and get that money back?

**MR. LIPSKI:** No, the market won't bear it.

**MALE SPEAKER:** Thank you.

**MR. BARRERA:** If you wouldn't mind submitting some written testimony? We'll transcribe this, but it will take about three months to get it transcribed.

**MR. LIPSKI:** Okay.

**MR. BARRERA:** So, if you can get that to us, we can go to the EPA immediately.

**MALE SPEAKER:** And to the website.

**MR. BARRERA:** To the website would be fine, or get it to Ed here and he'll get it to us.

**MR. LIPSKI:** Thank you.

**MR. BARRERA:** Thank you, I appreciate it. We've got your name and number, and we'll contact you.

**MR. LIPSKI:** Okay.

**MR. BARRERA:** Thanks a lot. The next one I'm going to call is Ken Richard.

**MR. RICHARD:** Right here. Hi, see, I'm here.

**MR. BARRERA:** Say your name and your organization and how many people you represent.

**MR. RICHARD:** I'm Ken Richard. I'm a chartered financial consultant, and a registered financial planner and qualified financial planner. I've got lots of letters after my name. I'm also a junior. My Dad always said, "I thought junior was good enough." He passed away eight years ago now.

I'm going to talk about perceptions and perspectives. I'm here as a consultant, a financial consultant to mainly small business owners. Most of the small business owners I work with don't wear suits and ties very often, they're hard workers.

I am too, my wife said I put in 30 years my first 20 years in business. I've been an independent contractor for 32 years this week, since I graduated from the University of Minnesota. I've owned my own business since May 1980.

I've been blessed to have three daughters grow up -- one of whom is a captain in the U.S. Army, a medical doctor at Walter Reed, one who just finished her service in the Peace Corps, and is a law student at American University, and another one just graduated from Duke University and is on her way to divinity school.

So, service is part of our lifestyle. We also -- I was a little late here because I was working on a charitable concern that we helped found 18 years ago. We believe in giving back to the community. I'm not real encouraged by how much I have to give to the IRS folks across the table. I have a few comments about that.

But, the perspectives and perceptions--a couple of different things -- I know Al Paulson is going to talk about independent contractor issue. Being an independent contractor is the American way. Basically, every farmer in our state and throughout the country is an independent contractor. Yet, we have fences to keep people from being able to do that in a profitable fashion. A lot of it is very political.

One of our senators, who is now deceased, said right to my face one day, "You people are people that don't regularly pay your taxes." He also said, "Why would you be an independent contractor instead of working -- if you could work for a bigger company you would, because you get all the benefits out there."

He didn't even understand the fact that those of us that are independent, choose who we work for, and when we work for them and how we work for them, and I'll address that more. But, I'm talking here more about businesses that are under 100, and we all know that small business is the biggest business in the state of Minnesota and throughout the country. Yet, look at it, all our colleagues can't be here, because they're working away.

My way to commit to the community is to do this kind of work and stand up. I'm a person who went to testify before Senate finance committee members on the Privacy Act back a few years ago. I was asked by my association -- that's the National Association of Insurance Financial Advisors -- to go there because of a contact I had with Senator Graham at that time.

I've been asked by the Chamber of Commerce, on a number of occasions, to comment on issues here in the legislature, because they know that I work with other small businesses.

I'm going to make reference to one just six, eight blocks to the north, here, which -- I consider to be -- the oldest ongoing family business in St. Paul -- 133 years old, five generations. In fact, he might have been here with me today, but he's down in Kansas City finishing the buyout of a small business (inaudible).

And that's the only way you're going to survive -- to keep buying up the other businesses in their kind of business. But, he said to me, "Ken, how am I going to deal with

this? My healthcare costs are \$7,600 a year for a \$32,000 a year employee." They have been committed to giving very good benefits, profit sharing, along with 401-Ks, and health care. Yet, their business is declining. No one is helping.

And, they're not even asking for any support, except for the expenses. They're having a problem with the EPA with some of the ground that their building is built on -- I don't know that much.

In the healthcare area, that's the common thread that I hear with my dozens of business people that I deal with. In the last two days, I actually did a little workshop for a group of business owners called the Christian Network Team. (Inaudible) in the room, three of whom probably won't be in business next year.

Yet, they're still struggling to maintain their businesses and keep their employees and do all the right things on their own. Yet, they still have to deal with the regulatory environment. The healthcare area is very onerous, and if we work backwards, even when somebody has an employee (inaudible) COBRA. How many know what COBRA is?

**MR. BARRERA:** (Off mike)

**MR. RICHARD:** You've got a smile. You know how -- it doesn't make you smile, it's like a snake, and it bites you.

**MALE SPEAKER:** It's worse.

**MR. RICHARD:** Unfortunately, my small business owners are having to pay for the services to take care of employees that aren't there anymore. Now, it's one thing to have a big corporation that has a big HR department, right, that is able to take care of many of these things, but in a small business, the HR department usually is the business owner.

**MR. BARRERA:** Sir, I don't want to rush you, but we've got to wrap it up.

**MR. RICHARD:** Right, right, right. Well, that would be the issue that I'm seeing that needs a lot of help -- that's in the healthcare area. I would go for going to ERISA type planning where we could get out of the state mandates and have plans that are beneficial to the employers to give their employees.

I, actually, would prefer to see no employer sponsored plans, and each one of us bid or buy health insurance, just like car insurance. Then, the employer's job is to say, "We will pay \$200 a month per employee, and \$600 a month for (inaudible). Then, they're out of the business of having to analyze and put in the time, talent and treasure into health care benefits. I

do not want to see a federally mandated plan. I want them to have selection, just like we all do in car insurance.

I have a number of things in deferred compensation, and we're seeing terrible things that happen. Thirteen million dollars (inaudible) deferred compensation was through a split dollar plan. Yet, small employers need to have a deferred compensation plan to reward and recruit executives, as they get more successful.

What I see is, bad things happen at the bigger level, like in my business, some of the brokerage firms have had some troubles, and it filters down to my level, where I'm spending \$7,000 a year, and 50 percent of my business is here, today. It costs me \$1,000 to be here. Anybody else have to pay to be here? I know Al did.

But, the fact of the matter is that I spend \$7,000 a year just sending out privacy notices. That was mainly precipitated by an organization right here in town -- a big organization, a public company -- we have to delineate what affects the big companies, and maybe isolate the small businesses, so that we don't have the same level of regulation.

I'm sure that the other gentlemen and ladies and in the room will say that, too. With that, I'll close.

**MR. BARRERA:** You've made some good points. Again, I invite you to submit some written testimony. Another good reason for the written is that we can't always count on these to be heard clearly. If you send in written testimony and we can get it transferred to the people directly.

**MR. RICHARD:** Can I ask?

**MR. BARRERA:** Can you help us? (Inaudible) the specific agency you want to talk about when you send that in, that would be very helpful. As far as the healthcare, you know, that is something is very definitely -- I know Congress is considering an associated health plan and the president is really behind that.

That's an issue where we're not going to give money to get health services. You want to keep government out of it. A word about government; be careful what you ask for, because you may get it. They try to fix something and it makes it a lot more difficult. I came from the private industry, and working with government and I think a lot of times they want to fix it and do the right thing, but they can make it worse.

I've been around situations where they want more information on -- say first, an 8A application, you're not asking enough information. That's made that 8A application



huge. So it's important that people are very, very careful about what they ask for from the government. You've made some great points, I really would invite you to submit them in writing.

Does anybody have questions?

**MALE SPEAKER:** I couldn't say anymore --

(Laughter)

**MALE SPEAKER:** I'm curious to know why it takes four months to transcribe this.

**MR. BARRERA:** You have to get it in, you've got to send it to the transcriber, then they have to transcribe it and -- takes three to four months.

**MALE SPEAKER:** Do you guys want to use some more of my free time? I mean (inaudible).

**MR. BARRERA:** (Inaudible) send it in.

**MALE SPEAKER:** (Inaudible) I find it curious.

**MALE SPEAKER:** (Inaudible) this year. Government in our area of regulations, SBREFA, has a limited budget, so we -- Michael and the area -- does not have a --

**MR. BARRERA:** We try to keep costs down, and make it quicker. That's why if you have written it, we can send it directly to the agency.

Now, you spoke of Mr. Paulson. Mr. Paulson, we'll get to you next.

**MR. PAULSON:** Thank you for the introduction. My name is Al Paulson. I'm in a small business here in Minnesota Marketplace Productions, and our business is (Inaudible) employees and (inaudible) independent contractors.

We produce conferences, organize conferences and trade shows and events for our clients, which are associations or (inaudible) companies, or even the government, at times -- all around North America. (Inaudible) direct mail promotions, selling exhibit booths, getting speakers, those things. That's what we're in to is the events, conferencing, business planning.

I am speaking as a small business, because I -- one of the issues, as you heard from Ken, is an issue I think is fairly important, is the independent contractor issue. Also, speaking, not only as a business owner, but I'm on board, as Ken is, of Minnesota Chamber of Commerce, which represents about 4,000 businesses in Minnesota.

I happen to be, currently, the chairman of the small business policy committee, which works with small business

issues. So, I go to Washington to discuss those things with whomever I can find to discuss them with.

**MR. BARRERA:** How many of them are small businesses?

**MR. PAULSON:** All sizes. These are businesses of all sizes in Minnesota. We do a lot of work with the state capital here on business issues. The state is sort of the business voice of (inaudible) business -- that's

the state chamber as opposed to the individual chambers.

So, currently, I'm the chairman of the small business policy committee. Also, I'm past chairman of the Minnesota American Indian Chamber of Commerce, and the past vice-chairman and co-founder of the National Indian Business Association.

I am a Chippewa Indian from northern Minnesota. My reservation is the White (Inaudible) Chippewa, it's east of Fargo, North Dakota, about 60-70 miles north of Detroit Heights, if you know where that is. Great deer hunting area. (Inaudible)

As a business owner I wear all hats. I walk in the area of (inaudible) the small business owner, but also I'm involved in my own organization. Because, part of what I do is -- I've always been an advocate for business being a great way for self-sufficiency for our tribal (inaudible) individual members of our society (inaudible).

So, I relate to what you folks do. That's why I helped start the National Indian Business Association. It represents about 75,000 Indian businesses -- we have an office in Washington, D.C. I'm not on the board anymore, but the in the early '90s I was involved in that.

So, that's sort of where I'm coming from -- I'm coming, first of all from a small business owner, the importance of the independent contractor issue. I'm talking about that since I got on the small business committee, which has been, probably -- in the Minnesota Chamber -- about four or five years now. I went to Washington this year and talked about that.

Here's the issue of small -- for those of you who aren't familiar -- independent contractors are used a lot by businesses, both small and large (inaudible). I use them because in my business, my business fluctuates up and down, so, when we have a lot of events going on -- we will have one in Seattle, Washington, at the Tacoma Dome in July -- I'll need a lot of people of there. I don't need them (inaudible), so I'll bring in independent contractors for telemarketing and what not.

The issue with that, is that there's got to be a reform in that tax law -- that tax code -- because the

definitions of independent contractors are so confusing for small businesses. There are about 25 to 30 different categories that define an independent contractor. Way too many, and it's got to be simplified.

It has been, as a matter of fact, simplified, and I understood that it was up to the Clinton White House, and at the last moment, it was vetoed and pulled out of the tax code. It was reformed to from about 25 to 30 definitions, down to about 15 to 18. President Clinton passed on it because the labor unions and, I guess the automobiles dealers, didn't like that for some reason. I don't know what it was. It was removed from the tax reform code.

At my meeting in Washington this past spring, I find out that it has been reformed -- it sits in the office, the tax office someplace, buried under some pile of reform papers (inaudible), don't have a lot of staff and it takes three or four month -- in this case it probably takes three or four years -- to pull it out of that pile.

So, basically, you folks who are involved with the IRS' tax code, and you figure out where that is out there, just have somebody pull it out and take a look at it again. I think it also has to be looked at from the standpoint of further reform.

I understand -- and this is from some folks in, I don't remember what department it was -- there are still about 15 to 18 categories and definitions, to it as opposed down to where (inaudible) I think seven or eight.

What scares small businesses and what people like me worry about is that there are so darn many definitions of this thing (inaudible), you know. I may be arrested for not complying with it. I can't worry about it, I don't even have enough time to run a business, so rather than have lawyers and stuff look at it, I can just say, "Screw it, I'll just do it -- if I'm caught, I'll suffer the consequences."

I think a lot of small businesses feel the same way. Five to seven definitions for making up independent contractors would be very helpful. (Inaudible). Pull out whatever is in there. That's why it's a small issue. I'm running out of time here. So these are national Indian business, minority businesses (Inaudible) concerns from that standpoint. (Inaudible).

I'm on the board of the Minnesota Chamber and, as I mentioned, the National Indian Business Association. A lot of my associates in the Indian business community, (inaudible) businesses and other minority businesses, do government contract

work -- set-asides, 8A programs -- you know what those are, okay? I don't do any of that.

The reason I don't, and many people like me don't, is because I get inundated with piles of RFPs and RFQs -- all that government soup that a small business (inaudible) can't deal with very well. I've got associates in that minority business side that want to get that government contract.

Government contracts are big, so we have to do them. And that's why Boeing and these guys are involved. The problem is that small businesses like myself, with five employees -- I don't have a person that can sit there and go through the RFPs and RFQs and write 50 to 100 pages in answers to those things. When I do a proposal for my clients, it may be a one to five page proposal, as opposed to answering an RFP or an RFQ that may take 500 pages, sometimes.

I go to Washington with my (inaudible). My last trip in April, I went there to talk the Department of Trade and Economic Development, they do international business meetings around the world; they hire people like me. I finally said to them, I said, "I'm fearful to even talk to you guys, I'm fearful."

If you want me to do so, you're going to have me fill out 87 pages of backup information." I don't have the time. This lady said, "Mr. Paulson, it's really been slimmed down -- there are only 35 pages."

(Laughter)

Well, that's way too much for a guy like me. When it comes down to doing business with the government

-- I tried it one time in Minnesota, the Department of Education, 12 or 13 years ago -- I've been in business 13 years. At that point they said, "Indian business we'd like to get more minorities involved".

The Department of Transportation said, "Why don't you help us with this conference?" By the time I got through that stuff, I lost money on it, because I (inaudible) get all the paperwork done to even get the thing done. Well then, afterwards, to get paid -- it's a problem. But, yet the IRS wants their money (inaudible). But, I can't get my money from them (inaudible) 90 to 120 to (inaudible) days later.

So, the whole problem with this whole area of set-asides, as I see it, has got to be streamlined -- just like these definitions have to be streamlined. We're all here to talk about how we can help and prosper, and make small business better all over America.

Because in Minnesota, as my group has seen in the last years that I've been chairman in Minnesota of the small business policy committee -- small business is big business in Minnesota. Small business in Minnesota -- companies that are under 200 employees -- employ over 75 percent of our businesses here. That's true all over America, so small business is big business.

Somebody, like you folks, has got to start looking at how you can help that 75 percent. Because, people like me out there, are willing to make a buck if they could figure out how to get through all the red tape, and all the definitions and all the stuff that goes with it. Just as a business guy, but as I minority business guy, I'd love to. I just can't afford the time. I can't afford to hire somebody to write the proposals. Thank you very much for your attention.

**MR. BARRERA:** I think you (inaudible).

(Laughter)

But, the comments you made are so important. A couple of things -- I know that we, at the SBA, as far as the 8-a contracts, we're going to actually put down a line -- hopefully by the end of this year, the beginning of next year -- it's still going to be a big application, but it's going to be streamlined a lot more.

For instance, I know, when you fill out that application now, you put your name, you may repeat the same information over, and over and over again. This one is going to make it easier. You say it once, and you don't have to keep repeating it. It's going to help in that respect.

We are also doing matchmaking events across the country -- we have one in Chicago, next week, in fact. We're actually bringing the buyers from the federal government and from large corporations to these things and actually matchmaking them with small business owners who may have something they can help. I think there still might be spots open in Chicago.

Go to our website, [sba.gov](http://sba.gov), and click on matchmaking and that's going to tell you how to get to that. It's not going to solve everything, but it is helping.

You mentioned about government red tape -- remember, what I was talking about you earlier, be careful what you ask the government for. I can tell you one reason why these applications get so big. (Inaudible) the accusations about fronting, so what happened is that people keep asking us, "Get more proof, get more proof, get more proof." The more proof you ask for, the bigger the thing is going to become.

**MR. PAULSON:** I understand, when I was chairman of

the Minnesota Chamber -- this was back in the early '90s -- when all the Indian casinos were starting at that point, so everyone was after me and the Indian Chamber to in and help them get in.

Well, we have women in the construction business, and one was the vice-chair of our chamber and was a very successful Indian businesswoman as a contractor, but there were a lot of businesswomen who were coming out and supposedly were going to get these construction companies (inaudible).

So, I went through that. (Inaudible). (Inaudible) motorcycle (inaudible). He's the senator from Colorado, Ben Nighthorse Campbell.

**MALE SPEAKER:** The only Indian guy out there that that I've ridden a motorcycle with.

**MR. BARRERA:** Your point, though -- what happen on that is that because of those allegations, more paperwork was created to prevent that. So, sometimes, you have to be careful what you ask for.

**MR. PAULSON:** But, that is something that I think -- we all know that is a problem, so we all have to be aware of the fact that when we're trying to help one another, we don't (inaudible). I mean we're all adults, we aren't stupid, we all talk about this for years and years, about the paperwork.

There's got to be a way to solve that, creatively. I don't know what the answer is, because I'm not in it. We all say, "Yeah." But -- it's like what you said, "Yeah. We're trying to streamline it." But, it's relative, if the streamlining means that it's only 35 pages as opposed to 100.

**MALE SPEAKER:** That's still awful.

**MR. PAULSON:** Still awful for somebody, even for me, even for (inaudible).

**MR. BARRERA:** It's still not going to get down to two pages or three pages.

**MR. PAULSON:** We've got to get to a point where I don't have to have a fulltime person writing the applications.

**MR. BARRERA:** I think you're right, you're definitely right, but it still has to be enough information that we get the right people for (inaudible). There is a middle point you have to reach.

**MALE SPEAKER:** Doesn't that have something to do with the size of the contract, too? Can't it be streamlined by the size of the contract?

**MR. BARRERA:** It depends on what that particular agency needs. You can't really have it uniform across

government lines. How long an application should be depends what they need for that particular time. You know, you get into security issues, you're going to need a lot more information about who you're doing business with.

(Inaudible) security depends what the agency is and what they need. You can't have a rule that says, "five pages per (inaudible)." That's just not realistic.

We do have to move on to other people and testimony, but what I'd like to do -- I know Tom of the Department of Labor has made some new regulations about streamlining the independent contractor issue.

**MALE SPEAKER:** We have smaller definitions. But, another problem is the inconsistencies of definitions across agency lines, also.

**MR. BARRERA:** And that's when they gave you (inaudible) server com.net. (Inaudible) there is so much inconsistency -- this agency meaning this, this agency meaning that -- make it the same information, but they're asking it a different way.

So, anyway we can hear these things and try to resolve that. In fact, last year in Nashville, a couple of agencies got together to see if they could make it easier when people start a business -- about what information is needed.

So, that's why what you testify is so important to us so we can, at least, hear it. I invite you to maybe visit with the IRS right now, so we can get some other people testifying. If you wouldn't mind meeting with them, and maybe they can give you an answer right now about what's going on. Can you meet with them real quickly?

**MALE SPEAKER:** Sure.

**MALE SPEAKER:** Here's another point that Hal makes. That we need to get more small business involved

-- not just here and there, and waiting for someone else to take the ball and carry it. We need to have more people involved, and that's why these things are happening. I didn't want to minimize before -- we have been making a lot of progress compared to what it used to be. But, we still have a long way to go. Thank you.

**MR. BARRERA:** Before we go on, I want to acknowledge Chou Lee from Congressman Betty Collin's office. Appreciate your coming.

We are going to actually have some of our Reg. Fair members testify on behalf of a business that sent in information. (Inaudible).

**MALE SPEAKER:** I'm not going to read the whole thing, I'm going to try and highlight some of the issues. The business' name is called Compass International. They are located at 1365 Corporate Center Curve, Beacon, Minnesota. Business name for contact is George Zirnhelt.

Anyway, this is a problem that regarding a compliance with ERISA rule, and the resulting enforcement. The highlights of this are that -- currently this gentleman is incarcerated in his home for some bad things that happened.

What happened was that he did not file some paperwork in a timely manner and came through the unfortunate circumstances of a gentleman who started out as a consultant, and was eventually made chief financial officer. For whatever reasons, he was cooking the books. It came right on the heels of the Enron thing, and so (inaudible) he was made an example of, so to speak.

Despite all of his problems and thousands of dollars spent since the year 2000, when it became apparent that this chief financial officer was doing this practice for his own reasons -- and the owner, by the way, admits that the buck does stop there. He is the trustee. He recognizes that he did wrong.

But, in the meantime, he had worked this out -- he had actually cleaned up the whole mess. He paid all the fines, he put the money in that was supposed to be in, and then after all that was done, he was advised by the U.S. attorneys that they were going file charges against him, just because he was a trustee. The charge was for embezzlement and misappropriation of funds.

What actually happened, was that the CFO had been cooking the books up so that he could get a bigger salary and bigger bonuses. He had been advised by accountants and attorneys to just go out of business. He said, "I didn't want to do that."

So, after spending tens of thousands of dollars on legal fees -- the best advice I was getting was just to be cooperative and go along," he said he couldn't agree to just plead guilty to the serious charges, but asked if they would come up with something else that he might consider. They said, "How about multiple misdemeanors?"

The net result was that he admitted to some multiple misdemeanors. He was sentenced to 90 days in home confinement, 100 hours of community service, a \$5,000 fine and \$10,000 to pay for advertisement in a local paper recounting the Department of Labor's success in prosecuting 401-K violators.



As I said earlier, this man recognized that what he did was not correct -- bad judgment on his part to trust this individual -- because as trustee, there are severe penalties for not following the rule of law, especially with ERISA. He is hopeful that, while he's been made an example of, this sort of thing is going to cease and desist with the ERISA people, because it's one of those "gotcha" things.

I understand his concern. I happen to be a trustee, as my brother is, in our own company. Being a trustee has some very nasty penalties if you don't comply with the law. So, he has submitted this saying that he hopes that something can be done to change this attitude. That he had never had any intention of embezzling or causing problems.

It was something that happened, that shouldn't have happened, and he took care of it. I think the gentleman should commended for doing what he did, instead I think he got stiffed. So, that's basically what he's saying.

**MR. BARRERA:** This is a good example -- we have a situation where people did not want to testify, and we can have one of our board members testify on their behalf, and I think that's why this particular thing works a lot. There are other options for him. We will take the comment back as written and hand it to the appropriate agency to take a look at it immediately -- so that does help us a lot. Thanks.

**MALE SPEAKER:** Thanks.

**MR. BARRERA:** (Inaudible) from Ideal System Solutions. He's not here? Okay.

We have Georgia Barach.

**FEMALE SPEAKER:** My name is Georgia Barach. I am the president of the Talus Group, a small woman-owned, disadvantaged business. I prepared a statement. I had short notice as of yesterday -- so I'll just read it, and I'd like to apologize beforehand -- it is very direct.

We have been in application with the Small Business Administration since February of 2002. We've completed over 500 pages of documentation and complied very promptly with all requests. All submissions have been mailed overnight mail. We felt it necessary to document our conversations and dealings with a government agency when our proposal was lost for six weeks.

The date of submission was then started in March of 2002, as a result of that error. The proposal was reassigned twice, and the date was again reset, giving the agency 75 days to complete their review. We submitted our 8A application to

the Washington region, as standard procedure, and were told that they would forward it to Texas.

That didn't happen, but we did submit a proposal to Texas, starting the clock again, sometime in 2003, or late 2002, excuse me.

Three times the Texas office lost our proposal, or parts of it, and we were asked to resubmit over 100 pages of that original. Our experience with the SBA and the 8A division is that SBA's information is not clear, and the staff has told us differing requirements for the very same proposal and application.

We don't feel there is any accountability, time frames are not governed and there is no clear chain of command. The agency reflects an attitude of flippancy and general laziness. Pardon me.

Repeated phone calls to find lost data were pushed to another, unresponsive, SBA source. Attitudes have been rude and condescending that focus on reasons why they can't get their job done. We were told our application would get priority status if we had a contract pending.

When we provided that information, we were not given priority. We are concerned that the agency is dysfunctional and cannot process our application and, if and when we are approved, that the complicated bundling process will force us to maintain expensive staff just to comply with the standards and recertifications. Clearly, this process is damaged and it has damaged our client relationship and consumed valuable resources.

In summary, we hope to see changes to a bureaucracy that encumbers small companies with expensive submissions, rude treatment and nebulous standards.

**MR. BARRERA:** Ms. Barach you don't have to apologize for that. The SBA is not without fault. Whatever happens, nobody deserves to be treated the way you've been treated. So what I will do -- is your statement in this packet that you presented to us?

**MS. BARACH:** I believe I can provide you with a copy.

**MR. BARRERA:** Please provide it, and what I'll do is I'll take it back to the head of our government contracting division when I get back.

**MS. BARACH:** Thank you.

**MR. BARRERA:** And, I'll make sure someone talks to you when we get back. If it doesn't work out, you let Ed's office or my office know directly. The SBA -- no one deserves

to be treated like that.

**MALE SPEAKER:** Thank you for coming and being brave to be here to tell us.

**MS. BARACH:** Thank you, I appreciate that.

**MR. BARRERA:** You will not go on home arrest, I guarantee you.

(Laughter)

**MS. BARACH:** I appreciate that.

(Laughter)

**MR. BARRERA:** Okay, still no word from Mike Beale?

**MALE SPEAKER:** (Inaudible) of Ideal System Solutions should be read into the record.

**MALE SPEAKER:** Oh, okay.

**MR. BARRERA:** Again, this was a small business that had already participated in SBA's 8A program for three years, and he had a concern about the financial hardship the regulation poses on his small business.

In reading through the thing, I think he was basically concerned about the size standards that we have and the paperwork that's associated with providing financial information about the 8A program. Because you have to be re-certify every year to be eligible in the 8A program.

His basic concerns were that the things that we ask for, and that how expensive it is and how much paperwork is being requested of him. Again, I will take his statement back to our government contract division and have them give him an answer of some sort.

I know we had another testimony and someone to testify about -- and I'll give this person an opportunity to testify -- but they want to testify about, I guess, handguns in a parking lot. But, I will say, that in order to testify here, it has to be a small business and that small business should have given him permission to testify.

Secondly, is that this particular board cannot do anything about that. That's a state issue and that's a city issue, we deal just with federal issues and there is nothing we can do about that, and don't know who we can send it to. I understand that that person's company did not want to be associated with the comment.

We go and help small businesses, we can help if it's a federal issue, if it's a personal issue there is nothing we can do. So, if that person would still like to testify, they are

welcome to, but there's not much we are going to be able to do for you.

Is there any other -- anybody else who would like to testify? At this point, maybe we can open up for questions and, actually, we have some federal agencies that may want to talk about some of the compliance assistance that they have available -- this might be a place for that.

Tom, do you guys want to talk about --

**MALE SPEAKER:** Sure. (Inaudible) Office of Small Business Programs and at the Department of Labor we have five or four (inaudible) that my office works with to deal with enforcement actions, to deal with compliance services. We have Denise Sullivan from the Wage & Hour (inaudible) the district director. Wage & Hour is (inaudible). (Inaudible).

(Laughter)

One of the first things that Secretary Chao had each agency to do -- she's the secretary of Labor -- she had each agency put together a compliance assistance plan. A (inaudible) plan to tell what they would be doing for the next (inaudible) to help small businesses and provide compliance assistance. Each one of those plans was approved by a policy planning board and (inaudible) states and all five enforcement agencies are working on a (inaudible) compliance assistance plan.

One of the big things we found when that got completed is the two major (inaudible). We have five enforcement agencies: the Employment Standards Administration that the Wage & Hour Division is a part of; the Employment and Training Administration; Mine Safety and Health that deals with safety and health in mines; and OSHA, the Occupational Safety and Health Administration that does occupational safety and health issues in the workplace and, what used to be called the Pension, Welfare Benefits Administration, which is now called Employment Security Benefits Administration. They deal with health plans, (inaudible) and things like that.

My office of small business programs is not an enforcement agency, what we do is that we work with each one of those enforcement agencies to coordinate their classes as well as (inaudible) across the country. Each one of those agencies has installed a free phone line where you can call if you have questions or (inaudible).

One of the things we did in our office, because a lot of small businesses won't call an enforcement agency, and ask about an enforcement plan. What we did, we established a toll-free phone line in our office. If you want to call --

(Tape interrupted)

**MALE SPEAKER:** We're here representing the Minneapolis District Office, one of 15 throughout the nation. We have five states: Montana, Wyoming, North and South Dakota and Minnesota -- about 500,000 square miles. We represent (inaudible) about 350 federal meat and poultry and egg establishments.

We also have five (inaudible) plants, two in Montana and three in North Dakota. We've done a lot of things lately, we also have non-retaliatory -- we've had that for quite some time. We also have appeal rights that we've put in place.

Whenever our people take an action against a plant on unsanitary conditions that they want to appeal, that's right there on what we call the plant's record. We record that and (inaudible). We act immediately on this thing.

Some of the neat initiatives that we've done, or put under our umbrella (inaudible) that we're initiating right now, it's called the consumer safety inspector. That's what Pat Stillwell is. What we've done since HASP -- that's probably a term some of you have seen it stands for Hazard Analysis (Inaudible) Patrol (Inaudible).

That's the new way of inspections that we've initiated. What it is, it's for an establishment to put into place things that will prevent things from occurring. It's prevention, not after the fact detection. That started back in 1998. It was phased in over three years for the very small and small.

We also (inaudible), in 1997 put in SSOP. It's just a Sanitation Standard Operating Procedure. Things that they're going to tell us what they are going to do to that establishment before it starts, to keep it clean and how they're going to keep it clean throughout the day.

Since we have done that, we've also initiated this new position, a consumer safety inspector. One of his or her main responsibilities is to help and assist small and very small establishments. We have a lot of initiatives and a lot of contact with people.

We're not there to (inaudible), but we will assist them, we will direct them, we will show them where they can go to get assistance. It is hard for very small businesses. We're grateful when we look at the initiatives out there right now, with E-coli, with salmonella, with mad cow -- just our border to the north with (inaudible) up in Canada.

It is very serious; we do hold these establishments

accountable. But, with that, we're there also to work together, because we are traveling down the same road, the same path to do what -- to protect everyone in this room and every one of your children, your grandchildren, your mothers and fathers and your grandfathers and grandmothers.

We mean that and we're sincere in that, but we're more than willing to help. We appreciate the invitation. Any questions that you have, I can leave some cards. If anybody is interested, give us a call.

**MR. BARRERA:** I appreciate that.

**MALE SPEAKER:** I have a question for you. When you come into a locality, let's say in my state, (Inaudible), and I know they have an inspection department, do you supercede them, or how does that work?

**MALE SPEAKER:** We look (inaudible) federal, if there is a state inspection program in the state of Minnesota, also in these other states we oversee, they have an opportunity. State inspection -- right now the law is they cannot ship across the state line.

A business owner wants to produce meat, poultry or eggs and stay within the state -- they have an option of becoming state inspected or federal inspected. Now, there are also health departments. We oversee any type of processing operation or slaughter operation. We do not get into restaurants, we do not get into grocery stores. That's all state and local health departments.

**MALE SPEAKER:** Excellent.

**MALE SPEAKER:** Does that help?

**MALE SPEAKER:** So, the local restaurant or local health department, they don't oversee the meat processing? Is that what I understand?

**MALE SPEAKER:** That's right.

**MALE SPEAKER:** And that goes back to state and federal.

**MALE SPEAKER:** That goes back to state and local --

**MALE SPEAKER:** And then federal?

**MALE SPEAKER:** Right.

**MALE SPEAKER:** Then federal supercedes state --

**MALE SPEAKER:** No, they're separate programs. I mean, they're separate programs.

**MALE SPEAKER:** (Inaudible) let me clarify. If the

state inspects your organization -- comes in and inspects -- who supercedes whom? Does the state inspection (inaudible) do you okay them, do you let them alone after they've been inspected, or do you -- what happens?

**MALE SPEAKER:** We literally have separate inspection programs (inaudible). We have separate boundaries. You're not both -- you won't be a state inspection facility and you won't be a federal inspected facility.

**MALE SPEAKER:** That's my (inaudible).

**MALE SPEAKER:** Yes, you're either one or the other, and that's what (inaudible).

**MALE SPEAKER:** Thanks.

**MR. BARRERA:** We just had the IRS walk back into the room, after their talk with Mr. Paulson. Before we do -- we have Lyle Clemenson, our Reg. Fair member actually has some testimony that he wants to present.

**MR. CLEMENSON:** Thank you. I'll read mine so I can keep short. (Inaudible) will take a lot longer. My name, again, is Lyle Clemenson, I'm president of CEI, a small company in Brooklyn Park.

We employ 20 to 25 people, depending on the time of the year. We market and sell our special carbide tip cutting tool bit for wood and recycling industry to industrial and commercial markets. We market and sell to entities all over the United States, Canada and three foreign countries.

For several years now we've been responding to these entities whom we sell to requesting certified copies of taxpayer identification numbers. This time of the year, which is our busiest time, we get as few as three and as many as ten a day.

It takes anywhere -- my staff -- takes anywhere from 10 to 15 minutes to process a simple request, by the time they take the information, write it up and get it over to the mailing machine -- 10 to 15 minutes.

And then, there are some entities who have taken what the federal -- or the IRS -- has requested, they have their own (inaudible) legal department, so it could end up to be as many as -- I think I counted eight or nine pages, which could be essentially done with a single form. That takes as much as 30 minutes of administration time spent on each of these requests.

Using our administration costs of \$20 an hour, and this is with feedback from my people, our costs per day, at a minimum of three a day, is \$17. Using the maximum of 10 a day is \$56 a day, and at the maximum of 30 minutes per request, it's \$100 a day. Having said that, our costs range from \$17 to \$100

a day just to reply to these requests.

So on a yearly average, if you take those numbers -- \$58 a day -- or almost \$15,000 a year from a small company like myself, responding to one regulation. That does not include stamps, paper and all the stuff that you have to have in overhead.

I'm aware of other companies that have complained to me also -- they spend as much or more than my company does, in what I consider lost time and effort. To get the paperwork in another company's file cabinet, that more than likely, will not be used. In the majority of cases, I understand, it's never, ever used.

So, I'm requesting the IRS begin a process to stop wasting time and money. Money that could be used to hire employees -- use that money. I do want to add that I've spoken to the people at IRS, and they surely see the problem and I feel confident that we're -- or they're --going to come up with something that will short circuit this program and the paperwork. Thank you.

**MALE SPEAKER:** (Off mike)

**MR. BARRERA:** We're going to do that now and address both his and Mr. Paulson's.

**MALE SPEAKER:** I didn't hear Mr. Paulson's (inaudible).

**MR. BARRERA:** He's the one that was just talking (inaudible) over there.

**MALE SPEAKER:** All right.

**MR. BARRERA:** He's been a contractor.

**MALE SPEAKER:** (Off mike)

**MR. BARRERA:** Yes. Okay.

**MALE SPEAKER:** Lyle, let me respond. The question on Lyle's is that the vendors that he deals with are asking for information, basically, your taxpayer identification number -- your EIN employer identification number. Companies are asking for that to happen before they even deal with companies so that they have it on file.

They're doing what's called a subsidy (inaudible), containing, essentially, IRS' requested information and information that they find useful for them. What they're using that for is, basically, they may need to do a 1099 -- information document (inaudible), potentially.

If you're a corporation, they are not required, so if



somebody requests an EIN -- employer identification number -- as corporation you are not required to give that to them, because they do not need to be (inaudible) a corporation.

Lyle spoke about that, and can't really see information really coming back from what he sends in. And, that's because he's a corporation. Those information requests do not need to be sent out of corporations.

So, what I see as the issue is that we have an organization on one side and another business sending out a request for this information. They don't really need it, but they're probably asking for the information saying, "Let's be on the conservative side and let's get it in case we need it."

Well, the end result is they don't really need that or do they use it, but they're asking Lyle to send that information in.

(Inaudible) If Lyle doesn't send the information it probably may not deal with him as a customer (inaudible). Obviously, that is a lot of paperwork, and you have to have people comply with (inaudible), and storage is huge in terms of that. So, I do see this as an issue that maybe from the IRS point of view (inaudible).

(Inaudible) have information on 1099s, in terms of who needs to really do them and who doesn't. You can go to the IRS website, [www.irs.gov](http://www.irs.gov), link to business and you get to forms and publications, and you get (inaudible), and you can talk about this, basically, what Lyle (inaudible).

So, the end result is they don't need to request that. They do, because they feel they want to be conservative. They don't use that, so Lyle still has to comply with that (inaudible). It's not that the IRS is requesting that, really, it's that businesses are kind of reacting a little bit conservatively on this, saying, "Let's make sure we have everything here."

That's what happens on that issue. Lyle can't afford the time and paperwork. It's not anything that's required. The customers are saying "Let's be conservative, so we don't have penalties involved, so that we don't get involved in some 1099 (inaudible) out of compliance."

With that information out there, maybe that would have been relieved, but it's not one of the driving issues.

**MALE SPEAKER:** I have a comment on that because I've had a (inaudible) time -- we are a corporation. I get the same sense that the company isn't going to do business with us if you don't comply.

**MALE SPEAKER:** Yes.

**MALE SPEAKER:** But, and I know you've probably got it posted on your website, not everybody is computer literate or goes through all these websites, because that takes time, too. I can't tell you how many of those we get. I mean we have a lot of customers and potential customers. It costs money to do that.

I don't know if there is some way that maybe IRS can issue a statement and clarify that. I agree, probably these companies feel they're just covering their butt, with this request.

**MALE SPEAKER:** So, maybe on a W-9, that they are getting -- a lot of companies use the (inaudible) W-9, so they're not even using the IRS form, the IRS W-9. (Inaudible) don't issue these corporations. Maybe that would help. Maybe it wouldn't if they're going to the substitute form, which they can -- if it contains a sentence with this information.

**MR. BARRERA:** (Inaudible) contacted the chambers of commerce that deal with both large and small businesses. Maybe start educating the local chambers, it would be -- they would be more than happy to help with that idea.

**MALE SPEAKER:** Maybe you need to cite where that regulation is if people do want to go to the website. So that they can double-check it, (inaudible) website location.

**MR. BARRERA:** (Inaudible), and also work with the gentleman out in the hall.

**MALE SPEAKER:** Yes, we can.

**MR. BARRERA:** (Inaudible) at that, if you have a plan.

**FEMALE SPEAKER:** Well, we have a plan.

**MALE SPEAKER:** Uh-oh.

(Laughter)

**FEMALE SPEAKER:** We met both with Mr. Paulson and Mr. Richard. I've been with IRS for -- we all have -- for a number of years, and we've heard about this issue. We understand from our own experience on the inside, that it is a very confusing issue for small business owners.

We were able, thanks to Mr. (Inaudible), to do a little bit of research as far as where we were at with that as an agency. I have the education side of it. Tom Kramer and his side of it has the taxpayer advocacy side. We were able to, at least, find out where it was that both sides of the agency were in relationship to that.

We had something that was probably a (inaudible). We were developing something called an online wizard, which is a series of steps that the small business owner would answer; do I have an independent contractor or do I have an employee.

It doesn't get you some of the things we were talking earlier about -- the differences in agencies. The IRS attorneys stopped that, and that's one of the things I'm going to be following up is, where are we with that.

I also looked at our website the other day, and realized that, yes, it has some very good information, but it's scattered throughout 16 or 18 or 20 links. We've already taken the steps to get one porthole on our irs.gov website that will contain all the information relative to independent contractor/employee status in one location.

The other thing, I think, is we're going to be working with the chamber of commerce. We've got cards, business cards, people to contact. So, we'll be looking at really trying to market some things like drop-in articles relative to this W-9 situation or independent contractors -- what's the latest on that.

We agreed also to talk to Mr. Richard and Mr. Paulson and follow-up with them as to what we find. So, we have a plan. Tom, did you want to add anything?

**MALE SPEAKER:** I think that one of the other things that was brought up was that there was a law previously, that's been pulled, and now it's just kind of out there someplace. Following up on that and trying to find out what's the status of that and what we need to maybe get reintroduced.

As we discussed out in the hall, it really isn't a local problem. It's a national issue that needs to be dealt with at the national level.

**MR. BARRERA:** I think you'll find that (inaudible) that we, the federal government, we try to govern, we're not the best at marketing -- as far as getting information out. I was amazed, since I started to do this as the national ombudsman, how much resources there are out there for small business. It's amazing how much is out there.

You can find out how to write a business plan, go to the SBA. You can find out how to apply for loans, how to comply with the IRS laws. There is a lot of information out there. But, we haven't been the best at getting out there to small business -- because it really is out there.

I do appreciate IRS coming in. I do, also, want to acknowledge Louis Moore from Congressman (Inaudible) office. Is

Mr. Moore here?

**MR. MOORE:** Yes, sir. Right here.

**MR. BARRERA:** I appreciate your coming.

Do we have any other -- oh, also I have another comment from a gentleman from the (Inaudible) Corporation, and we're going to take that to our SBA people also. Other than that, do we have any more -- anybody else who wants to testify, or have any comments? I guess I'll close it up.

Again, I want to thank the small business people who are coming here to testify. As they mentioned, particularly Lloyd and Lyle -- I really want to, first of all, thank them for coming. They take time out of their own businesses. In fact, Lloyd drove up here from Illinois, this was so important to him, and our Reg. Fair members from across the country do that.

Thanks to the federal agency representatives that come from Washington, D.C., because it takes time and it shows their agency's commitment to have their people here. This is a lot of taxpayer money sitting here at the table. But they are here to hopefully get some answers for you. (Inaudible) again, the congressional staffs for coming. It shows the commitment of our congressional people that they want to be here and help. One of our congressional partners sent someone here to testify.

Also, I want to acknowledge the people who testify, because it is scary. I've done this so many times, it's not really nerve wracking for me, but I know a lot of people ask, "Do I want my small business to testify before government employees?" That's intimidating. That's scary, so we really have to congratulate these people for doing that, because they're doing it not just for themselves, they're really doing it for a lot of other small business people.

We can't learn unless we hear from them, so it's so, so important that we do hear from these small businesses, and we really need to acknowledge them and thank them for doing it. They're not here, I think, to really attack the federal government. I think they're here to help us. We do want to thank them and really acknowledge them for what they do.

We have some press here, and I want to thank them because they help us market these stories -- they help us market the fact that there's an Office of the National Ombudsman, that does assist us in dealing with the IRS, the Department of Labor, the USDA. We really want to thank them for being here, too.

We can't get the word out unless we all do this in partnership. We all have to work to make it better for small businesses, because small businesses employ 51 percent of all

people in the nation. Seventy-five percent of all new jobs are going to come from small business.

All new innovations -- that's more likely going to come from small business. I would venture a guess, that everybody in this room is somehow connected with a small business. Small business is like breathing. You can't go a day without touching it.

Whether you got your shoes shined, pick up your laundry, stopped by the (inaudible) store and got some coffee. You are always dealing with small businesses --going to the gas station -- you are always dealing with a small business. I bet, many of you come from small business, have parents involved with small businesses, relatives involved with small businesses, friends involved with small businesses, or know people employed by small businesses.

It touches all of us, and most small businesses are normally going to be the leaders of our (inaudible), and small businesses will be big businesses. I think you've had some Totinos -- that was a small business that was helped by the SBA -- came from Minnesota. 3M started as a small business.

All these things start as small businesses, so we need to nurture them because they will be large businesses, which will, someday, support communities. And more importantly, and it's important to the president (inaudible), will promote jobs.

So, I do appreciate everybody coming, and do you have any questions for myself or our Reg. Fair members, or Ed? I want to thank Ed's office for helping us, our local SCORE chapter, our SBDCs, who are always very, very helpful -- good partners of ours. Thanks to everybody for participating in this. And the state capital, this is beautiful. Thank you.

(Applause)

(Whereupon the foregoing proceedings were concluded)